



**I. DISCUSSION OF THE CHOCTAW PROPOSAL TO PURCHASE**

THIS IS CHOCTAW'S PROPOSAL TO PURCHASE THE DEBTOR'S LICENSES (the "Choctaw Proposal"). ALL TERMS FOR IMPLEMENTING THE CHOCTAW PROPOSAL, TREATMENT OF CLASSIFIED AND UNCLASSIFIED CLAIMS, PROVISIONS REGARDING ALL PROPERTY DEALT WITH BY THE CHOCTAW PROPOSAL AND OTHER IMPORTANT TERMS AND CONDITIONS ARE CONTAINED IN THE DEBTOR'S PLAN. YOU MUST REVIEW THE DEBTOR'S PLAN CAREFULLY.

**A. Summary of the Choctaw Proposal**

**1. Introduction**

The Choctaw Proposal is the Debtor's plan for the reorganization of the Debtor's business operations. In general, and subject to Article II, D herein, Choctaw will continue the business operations and make the payments provided under this Choctaw Proposal. Cash flow from operations will provide the funds for making these payments.

A description of Choctaw, its equity security holders and related connections to this case is listed below:

The members of Choctaw Telecommunications, LLC are Collateral Plus Fund I, LLC, Watson and Downs Investments, LLC, Robert H. Hollis, III, and Patrick Trammell

Collateral Plus Fund I, LLC is a secured and unsecured creditor of MCLM.

Watson and Downs Investments, LLC is a secured creditor of MCLM.

Robert H. Hollis, III is a secured creditor of MCLM.

Patrick Trammell is an unsecured creditor of MCLM

Southeastern Commercial Finance, LLC is the Debtor in Possession Lender to MCLM.

Three of the members of Choctaw Telecommunications, LLC are also members of Southeastern Commercial Finance, LLC. John H. Watson, a member of Watson and Downs Investments, LLC, holds a 10.52% membership interest in Southeastern Commercial Finance, LLC. Robert H. Hollis, III holds a 10.52% membership interest in Southeastern Commercial Finance, LLC. Patrick Trammell holds a 26.34% membership interest in Southeastern Commercial Finance, LLC and is its managing member. Mr. Watson, Mr. Hollis, and Mr. Trammell are the sole members of the Board of Managers of Southeastern Commercial Finance, LLC.

Collateral Plus Fund I, LLC has no economic or any other interest in Southeastern Commercial Finance, LLC.

None of the members of Collateral Plus Fund I, LLC has economic or any other interest in Southeastern Commercial Finance, LLC.

Southeastern Commercial Finance, LLC has no economic or any other interest in Collateral Plus Fund I, LLC.

None of the members of Southeastern Commercial Finance, LLC has economic or any other interest in Collateral Plus Fund, I LLC.

Sandra DePriest has no economic or any other interest in Southeastern Commercial Finance, LLC

Donald DePriest is the husband of Sandra DePriest. Donald DePriest held a 10.52% membership interest in Southeastern Commercial Finance, LLC. Mr. DePriest had obligations owing under a demand promissory note of \$438,102.76 due to Southeastern Commercial Finance, LLC. Mr. DePriest's obligations to Southeastern Commercial Finance, LLC were secured by his membership interest in Southeastern Commercial Finance, LLC. Mr. DePriest's note matured and payment was demanded by Southeastern Commercial Finance, LLC. Mr. DePriest surrendered his membership in exchange for the debt he owed Southeastern Commercial Finance, LLC. Mr. DePriest has not financial interest in Southeastern Commercial Finance, LLC.

Donald DePriest was not active in the management of Southeastern Commercial Finance, LLC.

Donald DePriest was not a member of the Board of Managers of Southeastern Commercial Finance, LLC.

Donald DePriest did not attend an annual meeting of the members of Southeastern Commercial Finance, LLC after 2005.

Donald DePriest has not received any distribution of profits from Southeastern Commercial Finance, LLC.

John H. Watson, a member of Watson and Downs Investments, LLC, which holds membership interests in Choctaw Telecommunications, LLC made a minimal (less than 1% of total capital raised) equity investment in MCT Corp in 1998. Donald DePriest was Chairman of MCT Corp. MCT Corp was sold in 2007.

Patrick Trammell a member of Choctaw Telecommunications, LLC made a minimal (less than 1% of total capital raised) equity investment in MCT Corp in 1998. Donald DePriest was Chairman of MCT Corp. MCT Corp was sold in 2007.

Sandra DePriest had no management position with MCT Corp.

Sandra DePriest had no direct economic interest in MCT Corp.

Lucius Burch, who holds an 11% membership interest in Collateral Plus Fund I, LLC, served on the Board of Directors of MCT Corp. and made an equity investment in MCT Corp. MCT Corp was sold in 2007.

Sandra DePriest has no economic or any other interest in Collateral Plus Fund, I LLC.

Donald DePriest has no economic or any other interest in Collateral Plus Fund I, LLC.

## 2. Effective Date

The Effective Date of the Plan is defined in the Plan. It is the date an order confirming the Plan becomes final and non-appealable or when the Plan is substantially consummated, which ever shall occur first. If no party obtains a stay of any order confirming the Plan pending appeal, the Debtor may proceed toward substantial consummation of the terms of the confirmed Plan.

## C. Treatment of Classified Claims

Pursuant to Section 1123 of the Bankruptcy Code, the Claims and Interests as classified herein shall be satisfied in the manner set forth in this Article. The treatment of, and the consideration to be received by Entities holding Allowed Claims against the Debtor's Estate pursuant to the Choctaw Proposal, shall be in full settlement, satisfaction, release and discharge of their respective Allowed Claims against the Debtor's Estate, but shall not affect the liability of any other Person or Entity with respect to such Claim or Interest.

### 1. Classes 1 through 4 - Secured Claims

The Secured Creditors and Trammell have formed a separate entity known as "Choctaw" (defined supra) and have each assigned their respective Claims to Choctaw. Choctaw is the sole member of, and owns all equity in, Holding. In exchange for, and in consideration and full satisfaction of Choctaw's Claims against the Debtor and Choctaw's release of the Debtor from all liability to Choctaw on account of the Claims, the Debtor will transfer, assign, and sell to Holding all of the Debtor's right, title, and interest in the FCC Spectrum Licenses. Such transfer is and will be subject to final approval by the FCC. As additional consideration, the Debtor shall assign to Choctaw any and all Reserved Claims.

After final FCC approval of Holding as the owner and holder of the FCC Spectrum Licenses, Choctaw will market and sell the FCC Spectrum Licenses in its sole and absolute discretion; subject only to FCC's regulatory approval of all sales. Choctaw shall distribute all revenue, products and proceeds of the FCC Spectrum Licenses to Choctaw for final and ultimate distribution to the Choctaw Investors until such time as the Choctaw Investors have received the full amounts of their Claims. Included within the revenue, products and proceeds of the FCC Spectrum Licenses that will be distributed to all creditors are those proceeds from the sale of

Spectrum Licenses that have already been approved by the Court in prior hearings consistent with the Debtor's various motions to assume executory asset purchase agreements with various purchasers for Spectrum Licenses, as well as any other sales of Spectrum Licenses that may be approved by the Court until such time as the FCC approves Holding as the owner of the FCC Spectrum Licenses, together with any revenue, products and proceeds received by Holding for the sale of Spectrum Licenses subsequent thereto. Choctaw Investors' rights to distribution are subordinate to the rights of other parties strictly as follows:

- a. Upon confirmation of the Plan, Choctaw shall pay to the Administrative Expense Claimants the allowed amount of their expenses, up to their share of the Administrative Expense Pre-Payment, and a payment of \$250,000.00 to be used by the Administrative Expense Claimants to pay a pro rata portion of the administrative fees, as allowed by the Court.
- b. Upon the sale of FCC Spectrum Licenses in a cumulative amount of at least \$600,000, Choctaw shall pay the Unsecured Creditors Pre-Payment to the Liquidating Agent.
- c. After the sale of FCC Spectrum Licenses in a cumulative amount of at least \$600,000, Choctaw shall pay the Administrative Expense Claimants as further described in Article I.B.5 hereto.

In addition to the Secured Creditor's Claims, the Choctaw Investors shall be entitled to receive Monthly Accruals until the later of such payment is made in full, of the last Secured Creditors' Claims. Other than as set forth herein, no creditor junior or subordinate to the Secured Creditors shall receive any distribution from the sale of FCC Spectrum Licenses until such times as the Secured Creditors have recovered the amounts of their Claims in full, together with all Monthly Accruals.

In addition to the Secured Creditor's Claims and the Monthly Accruals, and to the extent that there are distributions to any junior class of claimants not made pursuant to Article I, C, 1, the Choctaw Investors shall be entitled to receive the Choctaw Investor Tax Accruals. The net Choctaw Investor Tax Accruals shall be determined on an annual basis at the end of Choctaw's taxable year. Choctaw shall make distributions to the Choctaw Investors for the net Choctaw Investor Tax Accruals for any given taxable year upon the first sale of FCC Spectrum Licenses after the close of such taxable year.

Choctaw shall provide upon request from the Liquidating Agent, a monthly report that shall include a summary of all operating expenses incurred by Choctaw in operating its business for the month prior to the Liquidating Agent's request. Choctaw shall provide the report within thirty days of such request. The Liquidating Agent shall have twenty-one days to respond to such report, and otherwise object to the reasonableness of the expenses. Choctaw shall have fifteen days to reply to the Liquidating Agent's response to explain why the expenses were

incurred and why such amounts were reasonably necessary. If the Liquidating Agent is not satisfied with the explanation in Choctaw's reply, the Liquidating Agent shall have ten days to file an objection to the reasonableness of the expenses with the Bankruptcy Court. The Liquidating Agent shall not be required to reopen the case to file any such objection. If the Liquidating Agent does not respond to the report or does not file an objection after Choctaw's reply as set forth herein, such objection shall be waived and forever barred.

Chris Dupree, the owner and holder of the Class 4 Claims, shall receive distributions from Choctaw on account of his Class 4 Claim on a *pari passu* basis with the Secured Creditors. Distributions to Chris Dupree are limited to, and shall not exceed, his Class 4 Claim.

2. Class 5 - Secured Claims of NRTC

NRTC shall be treated as a fully secured creditor. It shall be afforded the exact same treatment as secured creditor Chris Dupree, so that NRTC shall receive distributions from Choctaw on account of its fully secured Class 5 claim on a *pari passu* basis with the Secured Creditors. Distributions to NRTC are limited to, and shall not exceed, its Class 5 claim.

The fully secured claim of NRTC is impaired.

3. Class 6 - Priority Tax Claims

The Debtor is liable to various taxing authorities for *ad valorem* property taxes. Choctaw shall pay all such claims annually over three years with the first such payment due a year after the Effective Date. Such claims shall accrue interest at the rate of 3.0% *per annum*.

4. Class 7 - DIP Financing Claim

After the Choctaw Investors have received the full amounts of their Claims and the Monthly Accruals, and assuming there is sufficient revenue from the sale of the FCC Spectrum Licenses, Choctaw shall pay to SECF the full amount due and owing on the DIP Loans. To the extent that all senior Classes are satisfied, with the exception of the Choctaw Investor Tax Accrual, Choctaw shall make distributions to Class 6 Claimants within a reasonable time after the sale of any additional FCC Spectrum Licenses.

5. Class 8 - Administrative Expense Claims

Upon the sale(s) of FCC Spectrum Licenses (including those sales already approved by the Bankruptcy Court subject to FCC approval) as set forth below, Choctaw shall pay all claims to Administrative Expenses Claimants as follows:

- a. Upon confirmation of the Plan, Choctaw shall pay to the Administrative Expense Claimants the allowed amount of their expenses, up to their share of the Administrative Expense Pre-Payment. Choctaw shall also pay \$250,000.00 toward Allowed Administrative Expense Claims immediately upon Confirmation.

- b. Upon the sale of FCC Spectrum Licenses and collection of proceeds in a cumulative gross amount of \$2,600,000, Choctaw shall make a distribution to Administrative Expense Claimants in the amount of 10% of the total Administrative Expense Claimants' claims, to be distributed pro rata between the Administrative Expense Claimants.
- c. Upon the sale of FCC Spectrum Licenses and collection of proceeds in a cumulative gross amount of \$3,600,000, Choctaw shall make a distribution to Administrative Expense Claimants in the amount of 15% of the total Administrative Expense Claimants' claims, to be distributed pro rata between the Administrative Expense Claimants.
- d. Upon the sale of FCC Spectrum Licenses and collection of proceeds in a cumulative gross amount of \$4,600,000, Choctaw shall make a distribution to Administrative Expense Claimants in the amount of 20% of the total Administrative Expense Claimants' claims, to be distributed pro rata between the Administrative Expense Claimants.
- e. Upon the sale of FCC Spectrum Licenses and collection of proceeds in a cumulative gross amount of \$5,600,000, Choctaw shall make a distribution to Administrative Expense Claimants in the amount of 20% of the total Administrative Expense Claimants' claims, to be distributed pro rata between the Administrative Expense Claimants.
- f. Upon the sale of FCC Spectrum Licenses and collection of proceeds in a cumulative gross amount of \$6,600,000, Choctaw shall make a distribution to Administrative Expense Claimants in the amount of 20% of the total Administrative Expense Claimants' claims, to be distributed pro rata between the Administrative Expense Claimants.
- g. Upon the sale of FCC Spectrum Licenses and collection of proceeds in a cumulative gross amount of \$7,600,000, Choctaw shall make a distribution to the Administrative Expense Claimants of the balance of their respective total Administrative Expense Claimants' claims.

In no event shall the total Administrative Expense Claimants' Claims be more than the Administrative Expense Claim Limit, nor shall Administrative Expense Claimants receive distributions in excess of the Administrative Expense Claim Limit, up through the date of confirmation of the Plan. In no event shall any class of Administrative Expense Claimant receive or be entitled to distributions in an amount greater than such class' share of the total Administrative Expense Claim Limit, up through the date of confirmation of the Plan. All Administrative Expense Claimants shall file their final fee applications within 30 days of the Effective Date.

6. Class 9 General Unsecured Claims

After Choctaw Investors, SECF, and Administrative Expense Claimants have received the full amounts of their Claims and the Monthly Accruals, and assuming there is sufficient revenue from the sale of any FCC Spectrum Licenses, Choctaw shall pay to the Liquidating Agent the full amount of Class 9 General Unsecured Claims (or as much of the surplus is available from such sales). Choctaw shall make such distributions to the Liquidating Agent as funds are available from time to time from the sales of FCC Spectrum Licenses. To the extent that all senior Classes are satisfied, with the exception of the Choctaw Investor Tax Accrual, Choctaw shall make distributions to the Liquidating Agent within 10 days of the closing of the sale of the FCC Spectrum License.

In further consideration of the obligations owed to this Class herein, upon confirmation, as security for Choctaw's obligations herein, Critical RF shall immediately assign, grant and convey to the Liquidating Agent an accommodation pledge granting a security interest in and lien on all of Critical RF's assets. Should Choctaw fail to make a payment in accordance herewith, and upon notice of said failure and demand for payment by the Liquidating Agent in writing, Choctaw shall have 20 days from the date of such demand to cure such failure and make the distribution required herein. Absent such cure, the Liquidating Agent shall be entitled to immediately pursue any and all rights available to it with respect to Critical RF including without limitation, foreclosing on applicable security interests and other remedies at law, without further leave of the Bankruptcy Court.

Upon confirmation, the Debtor shall pay the sum of \$10,000 to the Liquidating Agent to cover the Liquidating Agent's initial costs and expenses in performing its duties hereunder.

To the extent that the Interest holders have any unsecured claims, such parties shall waive such claims and shall not receive any distributions on account of such claims.

7. Class 10 Membership Interests

Holders of Class 10 shall not receive any distribution from Choctaw, Holding, the Liquidating Agent, or otherwise.

**D. Means for Implementation of the Choctaw Proposal**

1. Post Confirmation FCC Procedures and Processes

In general, Holding will hold the FCC Spectrum Licenses. However, no provision in the Plan relieves the Debtor or the Choctaw entities from their obligations to comply with the Communications Act of 1934, as amended, and the rules, regulations and orders promulgated thereunder by the FCC. No contemplated transfer of control by the Debtor or by a Choctaw entity of any federal license or authorization issued by the FCC shall take place prior to the issuance of FCC regulatory approval for such transfer of control pursuant to applicable FCC regulations. The FCC's rights and powers to take any action pursuant to its regulatory authority over the transfer of control by the Debtor or by a Choctaw entity, including, but not limited to,

imposing any regulatory conditions on such transfer, are fully preserved, and nothing herein shall proscribe or constrain the FCC's exercise of such power or authority. Holding will not engage in any operations activity, but shall merely hold the FCC Spectrum Licenses. Holding shall not engage in any operations or incur any debt. Subject to Article II, D herein, Choctaw shall continue the business operations and make the payments provided under the Choctaw Proposal. Cash flow from Choctaw's operations, for the most part, will provide the funds for making these payments. Choctaw Investors may make additional investments in Choctaw as such deem necessary and prudent in their sole determination.

## 2. FCC Application and "Second Thursday" Issues

The Federal Communication Commission (FCC) has commenced a proceeding before an Administrative Law Judge to determine, among other questions, whether the debtor is qualified to remain a licensee, and consequently, whether its licenses should be revoked and certain pending applications for consent to debtor's proposed assignment of some of its licenses should be denied; whether debtor should be ordered to repay the full amount of the bidding credit claims in Auction No. 61, with interest; whether a forfeiture not to exceed the statutory maximum should be issued against debtor for violations of the FCC's rules; whether any licenses the debtor holds have cancelled automatically for lack of construction or permanent discontinuance of operation, and whether debtor and its principals should be prohibited from participating in future FCC auctions. *In the Matter of Maritime Communications/Land Mobile, LLC*, EB Docket No. 11-71, File No. EB-090IH-1751, 1-2 (April 19, 2011).

FCC policy prohibits the transfer of a license in the face of unresolved questions about the licensee's basic qualifications to hold a license. *Jefferson Radio Company v. F.C.C.*, 340 F.2d 781 (D.C. Cir. 1964). However, in the bankruptcy context, the FCC has recognized an exception to this general prohibition if certain requirements set forth in *In Re Application of Second Thursday Corp.*, 22 F.C.C. 2d 515 (1970) are satisfied. Under the Second Thursday doctrine, the FCC may allow an assignment or transfer by a licensee with unresolved basic qualifications issues outstanding, if it determines, in its judgment, that the transaction is otherwise in the public interest and if it finds that, notwithstanding unresolved questions about the licensee's character qualifications, "the individuals charged with misconduct will have no part in the proposed operations and will either derive no benefit from favorable action on the applications or only a minor benefit which is outweighed by equitable considerations in favor of innocent creditors." 22 F.C.C. 2d at 516. The Second Thursday doctrine is intended to protect innocent creditors and to accommodate the policies of federal bankruptcy law with those of the Communications Act. *See LaRose v. FCC*, 494 F.2d 1145, 1149 (1974).

As of the date of this Disclosure Statement, Debtor has not applied for Second Thursday treatment for any of its licenses, because the Commission will generally not act upon assignment or transfer applications by a debtor prior to approval of the proposed transaction by the bankruptcy court. Accordingly, no determination has been made whether the Second Thursday exception should be applied to the debtor.

The Choctaw Proposal contemplates that Debtor and Choctaw will seek Second Thursday relief from the FCC. Procedurally that will involve the submission of an application requesting FCC consent to the assignment of the FCC Licenses to Choctaw. The application would include



and/or be accompanied by a request for special relief from or waiver of the Jefferson Radio policy. This would include showings that:

- the principals of Choctaw are secured creditors;
- the plan, negotiated and agreed to by the secured creditors and the unsecured creditors' committee, provides a mechanism for the payment of all allowed claims against the debtor;
- none of the creditors to be compensated had knowledge of, nor was involved in, the alleged wrongdoing (i.e., the alleged non-disclosure of Mr. DePriest's holdings);
- neither Debtor nor the DePriests will receive any of the proceeds from the sale of licenses and they will forego their claims against the debtor (totaling approximately \$7 Million); and
- the DePriests will have no future involvement with and will receive no portion of any sales proceeds from the sale of AMTS licenses, nor the revenues from the operation of the AMTS licenses, being assigned to Choctaw, and the grant of the license assignment to Choctaw will be so conditioned.

In addition to the Second Thursday showing, Choctaw will also be relying on other public interest grounds as a justification for special relief from the Jefferson Radio policy. In initiating EB Docket No. 11-71 (the pending enforcement proceeding), the Commission included various pending applications for assignment of Maritime licenses to other entities. In Footnote 7 of the Hearing Designation Order, the Commission expressly stated that, because of the potential importance of one of the licenses to rail safety, it would consider severing one of these applications, the proposed sale to Southern California Regional Rail Authority ("MetroLink"), from the hearing, upon an appropriate showing by debtor and Metrolink, and that the Commission would consider whether, and under what terms and conditions, the public interest would be served by allowing the Metrolink application to be removed from the administrative proceeding. 26 FCC Rcd at 6523 n.7. MetroLink formally requested such severance, and the matter is pending before the Commission. Most of the other buyers whose assignment applications were designated in the hearing filed similar requests for severance. These buyers are "critical infrastructure" entities, providing public services such as electrical power, natural gas, and transmission pipelines. These operations affect public safety, homeland security, and similar matters. Maritime, as debtor-in-possession, has assumed many of these purchase agreements, and the court has approved the sales subject to prior FCC approval. For reasons similar to those already enunciated by the FCC in Footnote 7 of the Hearing Designation Order, this provides yet another public interest ground for an exception to the Jefferson Radio policy.

One cannot predict the outcome in advance, and this is even more so where the proposal is likely to be opposed by Warren Havens and possibly the Enforcement Bureau. The Debtor believes, however, that the proposed course has a reasonable likelihood of success. Protecting innocent creditors and accommodating bankruptcy policy is an important and well-established policy. The plan is structured so as to maximize the likelihood that innocent creditors will be compensated. Moreover, neither the Debtor nor the DePriests will receive any of the proceeds, they will not be involved in the future operation of the licenses, and the Commission can and

presumably will impose specific conditions on future license assignments to ensure this remains the case. Further, the FCC has previously granted Second Thursday relief for a similar arrangement where control of the licenses was assumed by a group of creditors. *MobileMedia Corp.*, 14 FCC Rcd 8017 (1999). There are also important public interest benefits that will flow from the already-assumed and court-approved sales to critical infrastructure entities. Nevertheless, if the FCC does not approve the Second Thursday plan as presented, Choctaw will endeavor to modify the Choctaw Proposal as necessary to address the agency's concerns.

### 3. Transactions Authorized Under the Choctaw Proposal

On or after the Effective Date, Choctaw may enter into such transactions and may take such actions as may be necessary or appropriate to affect its business consistent with the terms of the Choctaw Proposal subject to the FCC's rights and powers as described in Article I, D, 2, *supra*. The Bankruptcy Court will not retain jurisdiction over Choctaw and Choctaw will not otherwise be subject to oversight by the Bankruptcy Court. The Bankruptcy Court will retain jurisdiction over the Debtor until such time funds are fully distributed in accordance with the Choctaw Proposal.

### 4. Cancellation of Notes, Instruments, Debentures, and Membership Interests

As of the Effective Date, except as otherwise provided for in the Choctaw Proposal, (a) all notes, bonds, indentures, or other instruments or documents evidencing or creating any indebtedness, obligations of or interests in the Debtor or its assets that are Impaired under the Choctaw Proposal shall be cancelled, and (b) the obligations of the Debtor under any agreements, indentures, or certificates of designation governing Interests or Claims or any notes, bonds, indentures, or other instruments or documents evidencing or creating any Interest in or Claims against the Debtor that are Impaired under the Plan shall be discharged. However, claims by any person or entity against any other person or entity guaranteeing or otherwise liable for the obligations of the Debtor shall not be impaired as a result of the confirmation of the Plan or its effectiveness.

### 5. Employment of Reardon

Reardon functions as an operating officer, counsel, marketer of assets, negotiator for sales of FCC Spectrum Licenses and drafter of documents of the Debtor. Reardon has served as the primary salesman for the FCC Spectrum Licenses over the past few years. Mr. Reardon has over 15 years of experience working with the utility, railroad, and oil and gas communications industries. Mr. Reardon has negotiated all of the pending transactions with lessees and buyers. Mr. Reardon will renegotiate his terms of continued employment with Choctaw.

### 6. Liquidating Agent

a. **Appointment.** The Liquidating Agent shall be appointed as of the Effective Date and shall serve without a bond. The Liquidating Agent's appointment shall be a prerogative delegated to, and assumed by, the Committee, but the Liquidating Agent shall be disinterested, consistent with 11 U.S.C. § 327(a). Notice of the appointment of Liquidating Agent and his/her or its compensation shall be provided by the Committee to all creditors and parties in interest. In the event of the death, resignation, incapacity, disqualification, or misconduct of the

Liquidating Agent, the members of the Committee (notwithstanding the fact the Committee shall cease to formally exist pursuant to the Plan) shall appoint a successor. The Liquidating Agent shall retain and have all of the rights, powers and duties necessary to carry out its responsibilities under this Choctaw Proposal and those rights, powers and duties shall be exercisable solely by the Liquidating Agent. Commencing on the Confirmation Date, the Debtor shall work with the Liquidating Agent to facilitate a smooth transition of the responsibility of the wind down of the Estate to the Liquidating Agent.

b. **Duration.** The Liquidating Agent shall continue to exist until entry of a Final Order by the Bankruptcy Court closing the Bankruptcy Case pursuant to section 350(a) of the Bankruptcy Code.

c. **Exclusive Powers and Duties.** The Liquidating Agent shall serve under this Choctaw Proposal and shall discharge all of the rights, powers and duties set forth in this Choctaw Proposal. Without limiting the generality of the foregoing, the Liquidating Agent, his successors and assigns, shall have the following exclusive rights, powers and duties:

i. All of the rights, powers, and duties of a trustee in bankruptcy, including but not limited to, those under sections 704(a)(1), (2), (4), (5) and (7) and 1106(a)(6) and (7) of the Bankruptcy Code;

ii. to administer any available funds for unsecured Claims, pursuant to the terms of this Choctaw Proposal;

iii. to use, acquire and dispose of property free of any restrictions imposed under the Bankruptcy Code;

iv. to sell, devise or otherwise dispose of any assets without further notice or order of the Bankruptcy Court, except as otherwise provided in the Choctaw Proposal;

v. to employ, retain, and replace such persons, including actuaries, attorneys, accountants, auctioneers, brokers, managers, consultants, other professionals, agents, investigators, expert witnesses, consultants and advisors as necessary to discharge the duties of the Liquidating Agent under the Plan and to pay the reasonable fees and costs of such employment without the need to seek approval from the Bankruptcy Court or review by any other party in interest;

vi. to object to the allowance of Claims or seek equitable subordination of Claims, pursuant to the terms of the Plan and Choctaw Proposal, and to settle any such objection to Claims without further Order of the Court or notice to creditors;

vii. to establish reserves and open, maintain and administer bank accounts as necessary to discharge the duties of the Liquidating Agent under this Choctaw Proposal;

viii. to investigate, analyze, commence, prosecute, litigate, collect and otherwise administer any Cause of Action in the Bankruptcy Court or other court of competent jurisdiction and settle same without further order of the Court or notice to creditor;

ix. to voluntarily engage in arbitration or mediation with respect to any Cause of Action;

x. to represent the Estate before the Bankruptcy Court and other courts of competent jurisdiction with respect to all matters;

xi. to seek the examination of and production of documents from any entity under and subject to the provisions of Bankruptcy Rule 2004;

xii. to pay any fees due and owing under 28 U.S.C. § 1930;

xiii. to comply with applicable orders of the Bankruptcy Court and any other court of competent jurisdiction over the matters set forth herein;

xiv. to comply with all applicable laws and regulations concerning the matters set forth herein;

xv. to invest any available funds in (a) direct obligations of the United States of America or obligations of any agency or instrumentality thereof which are guaranteed by the full faith and credit of the United States of America, (b) in money market deposit accounts, checking accounts, savings accounts or certificates of deposit, or other time deposit accounts that are issued by a commercial bank or savings institution organized under the laws of the United States of America or any state thereof, or (c) or any other investments that may be permissible under section 345 of the Bankruptcy Code or order of the Bankruptcy Court;

xvi. to exercise such other powers and enforce any and all rights as may be vested in the Liquidating Agent pursuant to this Choctaw Proposal and to ensure compliance with this Choctaw Proposal, the Confirmation Order and/or other Final Orders of the Bankruptcy Court; and

xvii. to execute any documents, instruments, contracts and agreements necessary and appropriate to carry out the powers and duties of the Liquidating Agent; and

d. **Fees and Expenses.** The Liquidating Agent shall be reimbursed for all out of pocket fees, costs, and expenses in acting under this Choctaw Proposal. The identity and compensation of the Liquidating Agent shall be agreed upon by the Committee and the Liquidating Agent and disclosed to the Bankruptcy Court on or before ten (10) days prior to the Confirmation Hearing. Compensation of the Liquidating Agent and the costs and expenses of the Liquidating Agent (including, without limitation, professional fees and expenses) shall be paid from any funds available to the Liquidating Agent, including those funds available to pay creditors holding allowed unsecured claims. Without limitation of the foregoing, the Liquidating Agent shall pay, without further order, notice or application to the Bankruptcy Court, the reasonable fees and expenses of the Liquidating Agent and the Liquidating Agent's professionals, as necessary to discharge the Liquidating Agent's duties under this Choctaw Proposal. The payment of fees and expenses of the Liquidating Agent shall be made in the ordinary course of business and shall not be subject to the prior approval of the Bankruptcy Court, provided, however, any such payment shall remain subject to any challenge as to reasonableness, if any, in accordance with this paragraph and such relief as the Bankruptcy Court may order.

e. **Compromising Disputed Claims, Liens, and Causes of Action.** The Liquidating Agent is authorized to: (i) compromise and settle any Causes of Action, Liens, and Disputed Claims (including Personal Injury Claims and Punitive Damage Claims); and (ii) execute necessary documents, including, but not limited to, a stipulation of settlement or release, without notice or further order of the Bankruptcy Court or notice to any party in interest.

6. Disposition of Property by the Liquidating Agent.

a. **Vesting of Assets.** Unless otherwise dealt with under this Choctaw Proposal or by a prior Final Order, on the Effective Date all property of the Estate (including all Causes of Action) will remain vested in the Estate and shall continue to be subject to the jurisdiction of the Bankruptcy Court following confirmation of the Plan until distributed to Holders of Allowed Claims in accordance with the provisions of this Choctaw Proposal and the Confirmation Order. From and after the Effective Date, all property of the Estate shall be free and clear of all liens, claims and interest of Holders of Claims and Interests, except as otherwise provided in this Choctaw Proposal. All such property of the Estate shall be distributed in accordance with the provisions of this Choctaw Proposal and the Confirmation Order.

b. **Distributions.** The Liquidating Agent shall distribute the assets it has available to pay to the unsecured creditors in an amount and manner chosen by the Liquidating Agent in the Liquidating Agent's sole discretion, with the Liquidating Agent's claims (including, without limitation, professional fees and expenses) considered as an Allowed Claim in Class 8 herein. The Liquidating Agent shall distribute assets available to creditors as follows: (a) first to pay the reasonable costs and expenses of the Liquidating Agent and his professionals (including professional fees) incurred in administering, maintaining, and preserving any funds available to Creditors (to the extent not otherwise paid pursuant to this Choctaw Proposal); and (b) second to the holders of allowed Claims on the terms and conditions, and in the priority, set forth in this Choctaw Proposal.

**E. Treatment of Executory Contracts and Unexpired Leases**

*UNLESS OTHERWISE PROVIDED IN THE PLAN, CONFIRMATION OF THE PLAN CONSTITUTES (A) AN ASSUMPTION OF THE DEBTOR'S EXECUTORY CONTRACTS AND (B) A FINAL ORDER DETERMINING THAT THE AMOUNT REQUIRED TO CURE ALL DEFAULTS WITH RESPECT TO EXECUTORY CONTRACTS IS \$0.00.*

1. Assumption of Executory Contracts

All Executory Contracts, including all contracts to sell FCC Spectrum Licenses, that have not been previously rejected, or are the subject of a pending motion to reject as of the Confirmation Hearing, shall be assumed by the Debtor and assigned to Choctaw as of the Effective Date pursuant to Bankruptcy Code §§ 365 and 1123. Each Executory Contract assumed pursuant to this provision, as well as all other executory contracts, as to which the Court has previously approved the Debtor's request to assume, shall vest in and be fully enforceable by Choctaw in accordance with its terms, except as modified by the provisions of the Choctaw Proposal, or any order of the Bankruptcy Court authorizing and providing for its assumption or applicable federal law. All employment contracts are rejected, and Choctaw will have no

obligations with respect to any of the Debtor's employment contracts.

2. Cure of Defaults of Assumed Executory Contracts

Any monetary amounts by which each Executory Contract and unexpired lease to be assumed pursuant to the Choctaw Proposal is in default shall be satisfied, pursuant to § 365(b)(1) of the Bankruptcy Code, by payment of the amount necessary to cure such default in Cash on the Effective Date or on such other terms as the parties to each such Executory Contract may otherwise agree. In the event non-debtor parties to executory contracts do not file and assert their cure costs, the cure costs will be assumed to be zero. In the event of a dispute regarding (a) the amount of any cure payments, (b) the ability of Choctaw or any assignee to provide "adequate assurance of future performance" (within the meaning of § 365 of the Bankruptcy Code) under the contract or lease to be assumed, or (c) any other matter pertaining to assumption, the cure payments required by § 365(b)(1) of the Bankruptcy Code shall be made following the entry of a Final Order resolving the dispute and approving the assumption.

Known costs asserted and/or filed by non-debtor parties to executory contracts are:

Encana Oil & Gas (USA), Inc. -- \$50,290.65

Enbridge, Inc. -- \$108,738.45

Dixie Electric Membership Corporation -- \$116,021.95

Jackson County Rural Electric Membership Corporation - \$43,273.76

3. Rejection of Certain Contracts and Claims for Rejection Damages

All Executory Contracts not assumed shall be rejected. Proofs of Claim for damages allegedly arising from the rejection pursuant to the Choctaw Proposal or the Confirmation Order of any Executory Contract to which a Claimant is a party must be filed with the Bankruptcy Court and served on the Debtor not later than thirty (30) days after the Effective Date. All Proofs of Claim for such damages not timely filed and properly served as set forth herein shall be forever barred and discharged and the holder of such a Claim shall not be entitled to participate in any Distribution under the Choctaw Proposal.

4. Objections to Proofs of Claim Based On Rejection Damages

An objection to any Proof of Claim based on the rejection of an Executory Contract pursuant to the Choctaw Proposal will be pursuant to the procedures set forth in the Plan.

II. **CONFIRMATION OF THE PLAN AND CONSUMPTION OF THE CHOCTAW PROPOSAL**

A. **Conditions Precedent to Confirmation**

Confirmation of the Plan shall be subject to satisfaction of the following conditions at or prior to the time the Confirmation Order is entered:

(i) The Bankruptcy Court shall have approved pursuant to a Final Order a Disclosure Statement to accompany the Plan in form and substance reasonably acceptable to Choctaw; and

(ii) The Confirmation Order shall be entered in form and substance reasonably acceptable to Choctaw.

**B. Conditions to Effective Date**

The following are conditions precedent to the occurrence of the Effective Date:

(i) The Confirmation Order confirming the Plan and this Choctaw Proposal, as either may have been modified shall have been entered and become a Final Order in form and substance reasonably satisfactory to Choctaw or, in the event the Confirmation Order is appealed or a motion to reconsider is filed, the thirtieth (30<sup>th</sup>) day after the entry of a Final Order denying the motion, dismissing such appeal or affirming the Confirmation Order.

(ii) All authorizations, consents, certifications, approvals, rulings, no-action letters, opinions or other documents or actions required by any law, regulation or order to be received or to occur in order to implement the Choctaw Proposal on the Effective Date shall have been obtained or shall have occurred unless failure to do so will not have a material adverse effect on Choctaw.

(iii) All other documents and agreements necessary to implement the Choctaw Proposal on the Effective Date shall have been executed and delivered and all other actions required to be taken in connection with the Effective Date shall have occurred, including an agreement acceptable to the Debtor and Choctaw regarding the occupancy by Choctaw of the premises utilized by the Debtor during this case.

**C. Waiver of Conditions**

Each of the conditions set forth in the Choctaw Proposal may be waived in whole or in part by Choctaw, without any other notice to parties in interest or the Bankruptcy Court and without a hearing.

**D. Obtaining FCC Approval**

**1. Representations and Warranties Concerning FCC Approval**

Choctaw Investors, SECF, Choctaw, and Holding each individually and collectively represent and warrant, to the best of their knowledge, (i) that Choctaw and Holding are eligible to receive the FCC Spectrum Licenses from the Debtor, and (ii) that they have not made, do not have, and will not make, any agreement, contract, or other convention with the Debtor, Debtor's equity Holders, or any other party concerning the assignment of the FCC Spectrum License to Holding that would negatively affect the assignment of the FCC Spectrum License.

**2. FCC Denies Approval**

If the FCC does not approve the transfer of any FCC Spectrum License from the Debtor to Holding, such FCC Spectrum License shall remain the property of the Debtor, and shall be subject to all of the Secured Creditors' rights and interest therein.

3. Choctaw or Holding Fail to Request FCC Approval

If Choctaw or Holding determine, in their sole and absolute discretion, that obtaining FCC approval of the transfer of any FCC Spectrum License from Maritime is cost prohibitive, Choctaw or Holding shall so inform the Liquidating Agent and such FCC Spectrum License will remain the property of the Debtor. The Secured Lenders and SECF shall retain a security interest in the proceeds of FCC Spectrum Licenses remaining the property of the Debtor to the extent that such claims have not been paid in full pursuant to Article I, C, herein.

In addition, the Secured Lenders claim that they have liens on the proceeds of the FCC Licenses and all other incidents of ownership not excluded by the applicable law and FCC regulations.

The FCC states that security interests and liens cannot encumber any FCC Licenses, pursuant to applicable federal law, including the Communications Act of 1934, as amended, and the rules, regulations and policies promulgated thereunder. Security interests and liens can include all proceeds of FCC Licenses.

4. No Liability for Failure to Obtain FCC Approval

Choctaw, Holding and Choctaw Investors, collectively or any one of them, shall not have any liability to the Liquidating Agent, any Creditor, or any other party for the failure of the FCC to approve the transfer of any FCC Spectrum License for any reason, including but not limited to Choctaw or Holding's failure or refusal to request such approval in its sole and absolute discretion. Choctaw Investors are not obligated to make any continuing investment to fund ongoing operations of Choctaw or Holding. Any determination by Choctaw Investors to make additional investments as they deem necessary and prudent shall not create a course of dealing between the parties or a right of Choctaw, Holding, the Liquidating Agent or any Creditor. Any determination by Choctaw Investors to make additional investments as they deem necessary and prudent is not a commitment to any further investments.

**E. Reservation of Right to Object to Claims**

The Debtor and the Liquidating Agent retain the right to object to Claims though and including 90 days following FCC approval of any FCC Spectrum License sales. However, no objections can be filed as to the Class 1 through 8 Claims after Confirmation, except by the Liquidating Agent as to Claims in Class 8.

1. No Distributions Pending Allowance or Estimation of Claims

No payments or distributions shall be made with respect to all or any portion of a Contested Claim unless and until such Claim becomes an Allowed Claim as determined by Final Order.



2. Reserve for Certain Distributions

The Liquidating Agent shall reserve funds adequate to properly treat Contested Claims pending the resolution of any objection to such Claims.

3. Unclaimed Property

Any distribution or payment to a Creditor shall be sent by first class mail to the Creditor's address indicated on the proof of claim filed by that Creditor in the Case or, if no proof of claim has been filed, to that Creditor most recent address indicated on the Debtor's Schedules or known to the Liquidating Agent. If a Creditor holds an Allowed Claim by virtue of a transfer of such Claim pursuant to Rule 3001 of the Federal Rules of Bankruptcy Procedure, then distributions to the holder of such Claim shall be sent to the address set forth in evidence of the transfer filed with the Bankruptcy Court. If any distribution remains unclaimed for a period of ninety (90) days after it is sent by the Liquidating Agent, then the Creditor to whom such distribution was sent will be deemed to have forfeited the distribution, and such person's Claim shall no longer be deemed to be Allowed, but rather, such Claim shall be deemed disallowed and expunged for all purposes, and such person shall be deemed to have no further Claim with respect and such distribution and shall not participate in any further distributions under the Choctaw Proposal.

4. Precluded Distributions

No distribution shall be made in violation of Bankruptcy Code § 502(d) (to an entity or transferee liable for recoverable property of an avoidable transfer). The Liquidating Agent shall notify each affected Creditor of any contention that Bankruptcy Code § 502(d) prohibits any distribution to such Creditor. If such notice is given, the Claim held by such Creditor will be treated as a Contested Claim.

5. Treatment of Contingent or Unliquidated Claims

Until such time as a contingent Claim becomes fixed and Allowed, such Claim shall be treated as a Contested Claim for purposes related to voting, allowances, and distributions under the Plan. The Bankruptcy Court, upon request by the Debtor, in a summary proceeding for each such contingent Claim or unliquidated Claim, by estimation shall determine the allowability of each such contingent or unliquidated Claim for purposes of voting on the Plan.

F. Litigation

1. Reservation of Claims and Causes of Action

All Litigation, except the Reserved Claims, including claims, causes of action, cross claims or counterclaims held or assertable by the Debtor, including but not limited to: (1) the Causes of Action; or (2) the Avoidance Actions; and (3) any and all claims, causes of action, counterclaims, demands, controversies, against third parties on account of costs, debts, sums of money, accounts, reckonings, bonds, bills, damages, obligations, liabilities, objections, and executions of any nature, type, or description which the Debtor may have or may come to have, including, but not limited to, negligence, gross negligence, usury, fraud, deceit,

misrepresentation, conspiracy, unconscionability, duress, economic duress, defamation, control, interference with contractual and business relationships, conflicts of interest, misuse of insider information, concealment, disclosure, secrecy, misuse of collateral, wrongful release of collateral, failure to inspect, environmental due diligence, negligent loan processing and administration, wrongful setoff, violations of statutes and regulations of governmental entities, instrumentalities and agencies (both civil and criminal), racketeering activities, securities and antitrust laws violations, tying arrangements, deceptive trade practice, breach or abuse of fiduciary duty, breach of any alleged special relationship, course of conduct or dealing, obligation of fair dealing, obligation of good faith, and obligation of good faith and fair dealing, whether or not in connection with or related to the Plan, at law or in equity, in contract in tort, or otherwise, known or unknown, suspected or unsuspected, are preserved and retained for enforcement by and for the benefit of the Unsecured Creditors. It is the intent of the Debtor that this reservation, transfer and assignment of claims to and for the benefit of the Unsecured Creditors shall be as broad as permitted by applicable law.

## 2. Avoidance Actions

As of the Effective Date, the Liquidating Agent is appointed as the representative of the Estate pursuant to § 1123(b)(3) of the Code to pursue and shall be the only Person or Entity authorized to pursue actions to recover preferences, fraudulent conveyances, and other avoidance and/or recovery actions under Chapter 5 of the Bankruptcy Code or applicable state law. Unless the Liquidating Agent consents in writing, or it is otherwise ordered by the Bankruptcy Court, no other Person or Entity shall have the right or obligation to pursue any such actions. Any Creditor determined by the Liquidating Agent to have received a transfer that is avoidable pursuant to any provision of Chapter 5 of the Bankruptcy Code or any other applicable law shall be required to remit to the Liquidating Agent the determined amount of the avoided transfer prior to receiving any Distribution under the Plan.

## G. Effect of Confirmation, Discharge and Injunction

### 1. Vesting of Property

Except as otherwise provided in the Choctaw Proposal, and subject to FCC approval of the transfer of the FCC Spectrum Licenses, Confirmation of the Plan shall vest all of the property of the Debtor, except the Debtor's equity interest in Critical RF and all assets owned by Critical RF, into Choctaw and Holding as of the Effective Date. Holding shall hold only the FCC Spectrum Licenses. Choctaw shall hold all other assets of the Debtor transferred.

### 2. Property Free and Clear

Except as otherwise provided in the Choctaw Proposal, all property dealt with by the Choctaw Proposal shall be free and clear of all claims, Liens, and interests of any party as of the Confirmation of the Plan. The Plan will evidence the release of any and all Liens or encumbrances against all property dealt with by the Plan, unless such Lien or encumbrance is specifically retained in the Plan.

### 3. Legal Binding Effect: Discharge of Claims and Interests

The provisions of the Plan and the Choctaw Proposal shall (i) bind all Claimants and Interest holders, whether or not they accept the Plan, and (ii) discharge claims and liabilities that arose before the Petition Date, and from any Claims, claims, debts, and liabilities, including, without limitation, any Claims, claims, debts, and liabilities of a kind specified in Sections 502(g), 502(h) or 502(i) of the Bankruptcy Code, that arose, or have been asserted against, the Debtor at any time before the entry of the Confirmation Order or that arise from any pre-Confirmation conduct of the Debtor, whether not the Claims, claims, debts and liabilities are known or knowable by the Claimant. In addition, distributions provided for under the Choctaw Proposal shall be in exchange for and in complete satisfaction, discharge, and release of all Claims against the Debtor or any of its assets or properties, including any Claim accruing after the Petition Date and prior to the Effective Date.

While the Choctaw proposal calls for the sale of the FCC Spectrum licenses, and other assets to Choctaw/Holding, the Debtor is, in effect, "owner financing" the sale of those assets to Choctaw/Holding because the Debtor will not receive an immediate cash payment for those assets in the event the Court sees fit to approve the Plan and the Choctaw Proposal. As all creditors know, and as this Disclosure Statement and the Choctaw Proposal clearly provide, cash payments from Choctaw/Holding will not occur until after FCC approval, and then only after execution and consummation of the asset purchase agreements that exist, and that will exist, that call for the sale of FCC Spectrum Licenses to Choctaw/Holding. As a result, the Debtor, through the Liquidating Agent, and otherwise, will continue in an active posture by monitoring and assisting in the FCC approval process. Additionally, the Debtor will continue to prosecute objections to claims, post-confirmation, and the Debtor or the Liquidating Agent will pursue litigation, including, but not limited to, all avoidance claims and causes of action that may exist, especially with respect to transfers listed in the Debtor's schedules and books and records involving payments made within the ninety (90) days prior to the filing of the Petition and payments or other transfers in the two (2) years prior to the filing of the Petition herein.

The Debtor will also be required, as noted, to monitor the ongoing FCC application process and, to the extent necessary, participate therein. The Debtor will likely remain obligated to participate in the FCC Enforcement Bureau litigation as well, post-confirmation.

The Havens Entities have multiple proceedings before the FCC that pertain to assets of the Debtor, and they have asserted, among other things, antitrust claims that are pending in the district court in New Jersey. The court has lifted the stay with respect to the New Jersey litigation and it is proceeding. The court has set a claim estimation hearing tentatively, for October 15-16, 2012, to estimate the claims of the Havens Entities in the New Jersey district court litigation for voting purposes. In the event the Court approves the Plan, then, subject to proceedings before the FCC, and in the event the FCC grants and approves application of the Second Thursday doctrine to the Debtor/Holdings or any other corporate entity, the Debtor is of the view that claims pending in the FCC asserted by the Havens Entities will be consumed in that litigation, when combined with approval of the Plan in this Court. Further, while the district court litigation in New Jersey will proceed to establish the amount, if any, of the Havens Entities' monetary claims, those monetary awards, if any, will simply be included in the class of unsecured creditors and paid according to the priority established in the proposed Plan of reorganization.

The Debtor will retain, under the Plan, the assets of Critical RF, which will be counted on

to provide further payments to creditors in the event Critical RF becomes profitable or in the event there is a sale or other disposition of its assets at some point in the future, well after the Plan has been confirmed.

4. Effect on Third Parties

Except as otherwise expressly provided in the Choctaw Proposal, nothing contained in the Choctaw Proposal or in the documents to be executed in connection with the Choctaw Proposal shall affect any Creditors' rights as to any third party.

5. Release and Discharge of Claims and Interests

Except as otherwise provided by the Choctaw Proposal, the consideration distributed under the Choctaw Proposal shall be in complete satisfaction, release and discharge of the Debtor and its assets from all Claims of any Creditor, including Claims arising prior to the Effective Date.

6. Permanent Injunction

Except as otherwise expressly provided in, or permitted under, the Plan and the Choctaw Proposal, the Confirmation Order shall provide, among other things, that all Creditors and persons who have held, hold, or may hold Claims or Interests that existed prior to the Effective Date, are permanently enjoined on and after the Effective Date against the: (i) commencement or continuation of any judicial, administrative, or other action or proceeding against the on account of Claims against or Interests in the Debtor, or on account of claims released pursuant to the Plan; (ii) enforcement, attachment, collection or recovery by any manner or means of any judgment, award, decree, or order against the Debtor, or any assets or property of same; or (iii) creation, perfection or enforcement of any encumbrance of any kind against the Debtor arising from a Claim. This provision does not enjoin the prosecution of any claims that arise on or after the Effective Date nor does it enjoin the determination of the Allowed Amount of any Claims that arose prior to the Effective Date by a court of competent jurisdiction.

Any injunction will in no way impair the FCC's regulatory authority or any administrative proceedings in exercise of that authority. After confirmation of the Plan, the FCC asserts that it may commence and prosecute actions against the Debtor consistent with its statutory authority with the exception of money judgments arising from discharged claims, if a discharge is found to be lawful and appropriate. Generally, the Debtor agrees with the noted language in this paragraph, inserted at the request of the FCC. However, Debtor asserts that it is also entitled to injunctive relief, as to all creditors, to allow it to enforce the provisions of a plan that may be confirmed by the Court, whether or not a discharge is granted, so long as the discharge simply seeks to enforce the provisions of the Plan and protect post-confirmation assets accordingly.

7. Special Provisions for Tax Claims

Tax claims dealt with under the terms of the Choctaw Proposal shall retain their status as tax obligations after confirmation of the Plan. If Choctaw fails to timely pay a Tax Claim that results in a default on any tax debts provided for under the Choctaw Proposal, the taxing

authority may send Choctaw notice by Certified Mail describing the event of default and giving Choctaw 20 business days to cure the default: If Choctaw fails to cure the default in the 20-day period, the entire balance still owed to the taxing authority shall become due and payable immediately and the taxing authority may collect these unpaid tax liabilities through the administrative collection provisions of applicable law.

#### 8. Releases

Holding and Choctaw and their respective parents, subsidiaries, affiliates, shareholders, members, partners, managers, directors, officers, employees, agents and Professional Persons (collectively, the "Released Parties") are released and discharged from any and all claims, lawsuits or demands that have been, could have been, or which may in the future be asserted by the Debtor or by any third party for any act or omission in connection with or arising out of the transactions, relationships, or dealings relating to the negotiation or implementation of the Choctaw Proposal, the settlement of Claims and releases incorporated in the Choctaw Proposal, the solicitation of votes for or confirmation of the Plan, any pre-Petition Date or post-Petition Date Claim of any kind, and any other matter pertaining to the Debtor or this Chapter 11 Case, except for willful misconduct or violation of federal securities laws as determined by a Final Order, and the Released Parties shall have no liability to each other or any holder of any Claim for any act or omission in connection with or arising out of, transactions, relationships or dealings relating to the negotiation or implementation of the Choctaw Proposal, the settlement of Claims and releases incorporated into the Choctaw Proposal, the solicitation of votes for or confirmation of the Plan, any Pre-Petition or Post-Petition Claim of any kind, and any other matter pertaining to the Debtor or this Chapter 11 Case, except for willful misconduct or violation of federal securities laws as determined by a Final Order. The release provisions of the Choctaw Proposal shall not be effective as to any claim, lawsuits or demand raised as a defense to an affirmative action brought by the Debtor or Holding. Neither the release provisions of the Choctaw Proposal nor any other provision of the Choctaw Proposal shall be or be deemed to be a release of any Person or Entity of any liability as a guarantor or co-maker of any obligation of the Debtor to any Creditor.

The releases sought herein are necessary to implement the Choctaw Proposal and to obtain necessary funding from Holding and Choctaw.

#### 9. Exculpation

FROM AND AFTER THE EFFECTIVE DATE, (A) THE DEBTOR; (B) ALL CURRENT OFFICERS AND DIRECTORS, AND ALL OTHER AGENTS, EMPLOYEES, PROFESSIONALS AND REPRESENTATIVES OF THE DEBTOR; (C) THE LIQUIDATING AGENT; (D) ALL AGENTS, EMPLOYEES, PROFESSIONALS AND REPRESENTATIVES OF THE LIQUIDATING AGENT; (E) THE COMMITTEE, ITS MEMBERS AND ITS PROFESSIONALS (COLLECTIVELY, WITH EACH OF THEIR PREDECESSORS AND SUCCESSORS IN INTEREST AND THEIR RESPECTIVE GENERAL AND LIMITED PARTNERS, OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, PROFESSIONALS AND OTHER REPRESENTATIVES, THE "EXCULPATED PARTIES") SHALL NEITHER HAVE NOR INCUR ANY LIABILITY TO ANY PERSON OR ENTITY FOR ANY ACT TAKEN OR OMITTED TO BE TAKEN FROM AND AFTER THE PETITION DATE IN CONNECTION

WITH OR RELATED TO THE FORMULATION, PREPARATION, DISSEMINATION, IMPLEMENTATION, ADMINISTRATION, CONFIRMATION OR CONSUMMATION OF THE PLAN, ANY SALES OF ANY ASSETS, THE DISCLOSURE STATEMENT OR ANY CONTRACT, INSTRUMENT, RELEASE OR OTHER AGREEMENT OR DOCUMENT CREATED OR ENTERED INTO POST PETITION IN CONNECTION WITH THE PLAN. HOWEVER, THAT THE FOREGOING PROVISIONS OF THIS SECTION SHALL HAVE NO EFFECT ON THE LIABILITY OF ANY PERSON OR ENTITY THAT RESULTS FROM ANY SUCH ACT OR OMISSION THAT IS DETERMINED IN A FINAL ORDER TO HAVE CONSTITUTED GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. FROM AND AFTER THE CONFIRMATION DATE, ALL PERSONS ARE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER, ANY SUIT, ACTION OR OTHER PROCEEDING, ON ACCOUNT OF OR RESPECTING ANY CLAIM, OBLIGATION, DEBT, RIGHT, CAUSE OF ACTION, REMEDY OR LIABILITY RELEASED OR TO BE RELEASED AGAINST AN EXCULPATED PARTY PURSUANT TO THE PLAN.

10. Injunction.

EXCEPT AS OTHERWISE PROVIDED IN THE PLAN, THE CONFIRMATION ORDER SHALL PROVIDE, AMONG OTHER THINGS, THAT FROM AND AFTER THE EFFECTIVE DATE ALL PERSONS WHO HAVE HELD, HOLD OR MAY HOLD CLAIMS AGAINST OR INTERESTS IN THE DEBTOR ARE PERMANENTLY ENJOINED FROM TAKING ANY OF THE FOLLOWING ACTIONS AGAINST THE DEBTOR OR ITS ESTATE, OR ANY OF ITS PROPERTY ON ACCOUNT OF ANY SUCH CLAIMS OR INTERESTS: (A) COMMENCING OR CONTINUING, IN ANY MANNER OR IN ANY PLACE, ANY ACTION OR OTHER PROCEEDING; (B) ENFORCING, ATTACHING, COLLECTING OR RECOVERING IN ANY MANNER ANY JUDGMENT, AWARD, DECREE OR ORDER; (C) CREATING, PERFECTING OR ENFORCING ANY LIEN OR ENCUMBRANCE; (D) ASSERTING A SETOFF, RIGHT OF SUBROGATION OR RECOUPMENT OF ANY KIND AGAINST ANY DEBT, LIABILITY OR OBLIGATION DUE TO THE DEBTOR; AND (E) COMMENCING OR CONTINUING, IN ANY MANNER OR IN ANY PLACE, ANY ACTION THAT DOES NOT COMPLY WITH OR IS INCONSISTENT WITH THE PROVISIONS OF THE PLAN, PROVIDED HOWEVER, THAT NOTHING CONTAINED IN THE PLAN SHALL PRECLUDE SUCH PERSONS FROM EXERCISING THEIR RIGHTS PURSUANT TO AND CONSISTENT WITH THE TERMS OF THE PLAN OR THE CONFIRMATION ORDER.